2. Has a management plan (can be site-specific or part of a broader programmatic management plan; must have goals and objectives and call for monitoring or evaluation of those goals and objectives).
3. Contributes to at least one priority conservation objective as listed in the Framework.
4. Cultural heritage MPAs must also conform to criteria for the National Register for Historic Places.

The MPA Center used existing information in the MPA Inventory to determine which MPAs meet the first and second criteria. The inventory is online at http://www.mpa.gov/helpful_resources/inventory.html, and potentially eligible sites are posted online at http://mpa.gov/pdf/national-system/allsitesumsheet809.pdf. As part of the nomination process, the managing entity for each potentially eligible site is asked to provide information on the third and fourth criteria.

List of MPAs Nominated to the National System

The following 32 MPAs have been nominated by their managing programs to join the national system of MPAs. A list providing more detail for each site is available at http://www.mpa.gov.

State Marine Protected Areas
North Carolina
Queen Anne’s Revenge (Shipwreck)
Virgin Islands
East End Marine Park
Washington
San Juan County/Cypress Island Marine Biological Preserve

Review and Approval
Following this public comment period, the MPA Center will forward public comments to the relevant managing entity or entities, which will reaffirm or withdraw (in writing to the MPA Center) the nomination. After final MPA Center review, mutually agreed upon MPAs will be accepted into the national system and the List of National System MPAs will be posted at http://www.mpa.gov.


David M. Kennedy,
Assistant Administrator for Ocean Service and Coastal Zone Management.

DEPARTMENT OF COMMERCE
International Trade Administration

[850–810]

Certain Welded Stainless Steel Pipes From the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain welded stainless steel pipes (WSSP) from the Republic of Korea (Korea) for the period of review (POR) December 1, 2007, through November 30, 2008. See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review, 73 FR 72764 (Dec. 1, 2008).

On December 29, 2008, the Department received a timely request from SeAH, in accordance with section 751(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.214(b), for an administrative review of the antidumping duty order on WSSP from Korea. On February 2, 2009, the Department published, in the Federal Register, the notice of initiation of the administrative review of the antidumping duty order on WSSP from Korea for SeAH. See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part, 74 FR 5821 (Feb. 2, 2009).

In February 2009, the Department issued the antidumping duty questionnaire to SeAH. SeAH timely submitted its response to section A of the questionnaire (i.e., the section relating to general information about the company) on March 20, 2009, and its responses to sections B through D of its questionnaires (i.e., the sections relating to sales to the home and U.S. markets and cost information) on April 20, 2009.

In August 2009, in accordance with section 751(a)(3)(A) of the Act and 19 CFR 351.212(b)(2), we extended the deadline for the preliminary results of this review by 120 days until no later than December 31, 2009. See Welded...

During the period August 2009 through December 2009, we issued supplemental questionnaires to SeAH. We received responses to these questionnaires from September 2009 through December 2009.

Scope of the Order

The merchandise subject to the antidumping duty order is welded austenitic stainless steel pipe that meets the standards and specifications set forth by the American Society for Testing and Materials (ASTM) for the welded form of chromium-nickel pipe designated ASTM A–312. The merchandise covered by the scope of the order also includes austenitic welded stainless steel pipes made according to the standards of other nations which are comparable to ASTM A–312. WSSP is produced by forming stainless steel flat-rolled products into a tubular configuration and welding along the seam. WSSP is a commodity product generally used as a conduit to transmit liquids or gases. Major applications for steel pipe include, but are not limited to, digester lines, blow lines, pharmaceutical lines, petrochemical stock lines, brewery process and transport lines, general food processing lines, automotive paint lines, and paper stock lines, brewery process and transport lines, general food processing lines, automotive paint lines, and paper process machines. Imports of WSSP are currently classifiable under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 7306.40.5005, 7306.40.5015, 7306.40.5040, 7306.40.5065, and 7306.40.5085. Although these subheadings include both pipes and tubes, the scope of the antidumping duty order is limited to welded austenitic stainless steel pipes. The HTSUS subheadings are provided for convenience and customs purposes. However, the written description of the scope of the order is dispositive.

Normal Value Analysis

In accordance with section 777A(d)(2) of the Act, to determine whether sales of WSSP from Korea were made in the United States at less than NV, we compared the constructed export price (CEP) to the NV, as described in the “Constructed Export Price” and “Normal Value” sections of this notice.

Product Comparisons

When making comparisons in accordance with section 771(16) of the Act, we considered all products sold by the respondent in the home market during the POR as described in the “Scope of the Order” section of this notice, above, that were in the ordinary course of trade for purposes of determining appropriate product comparisons to U.S. sales.

In accordance with section 771(16)(A) of the Act, we first attempted to compare products produced by the same company and sold in the U.S. and home markets that were identical in respect to the following characteristics: Specification and grade, hot or cold finish, size, wall thickness schedule, and end finish. Where there were no home market sales of foreign like product that were identical in these respects to the merchandise sold in the United States, in accordance with section 771(16)(B) and (C) of the Act, we compared U.S. products with the most similar merchandise sold in the home market based on the characteristics listed above, in that order of priority.

Constructed Export Price

Pursuant to section 772(b) of the Act, for sales to the United States, we preliminarily determine that all of SeAH’s U.S. sales are CEP sales because all sales of subject merchandise to the United States were made by Pusan Pipe America (PPA), SeAH’s U.S. sales subsidiary, to an unaffiliated customer in the United States. We based CEP on the packed prices charged to the first unaffiliated customer in the United States. To establish CEP, where appropriate, we made net price adjustments, as defined by 19 CFR 351.102(b)(38), to PPA’s starting price to account for early payment discounts, pursuant to 19 CFR 351.401(c). We made deductions for movement expenses, in accordance with section 772(c)(2) of the Act; these adjustments included, where appropriate, foreign inland freight expenses, foreign brokerage and handling expenses, ocean freight expenses, marine insurance, U.S. brokerage and handling expenses, and U.S. customs duties. For further discussion of the changes made to SeAH’s reported U.S. sales data, see the December 31, 2009, memorandum from Holly Phelps, Analyst, to the File, entitled “Calculations Performed for SeAH Steel Corporation for the Preliminary Results in the 2007–2008 Antidumping Duty Administrative Review of Certain Welded Stainless Steel Pipe from Korea” (SeAH Prelim Calc Memo).

In accordance with sections 772(d)(1) and (2) of the Act, we also deducted, where applicable, those selling expenses associated with activities occurring in the United States, including U.S. direct selling expenses (i.e., warranty and imputed credit expenses), and indirect selling expenses (including inventory carrying costs and other indirect selling expenses incurred in the United States).

Pursuant to section 772(d)(3) of the Act, we further reduced the starting price by an amount for profit to arrive at CEP. In accordance with section 772(f) of the Act and 19 CFR 351.402(d), we calculated the CEP profit rate using the expenses incurred by SeAH and its U.S. affiliate on their sales of the subject merchandise in the United States and the profit associated with those sales.

Normal Value

In accordance with section 773(a)(1)(B)(i) of the Act, we have based NV on the price at which the foreign like product was first sold for consumption in the home market, in the usual commercial quantities, in the ordinary course of trade, and, to the extent practicable, at the same level of trade (LOT) as the CEP sale. See “Level of Trade” section, below. After testing home market viability and whether home market sales were at below-cost prices, we calculated NV for SeAH as discussed in the following sections.

A. Home Market Viability and Selection of Comparison Markets

In order to determine whether there is a sufficient volume of sales in the home market to serve as a viable basis for calculating NV (i.e., the aggregate volume of home market sales of the foreign like product is five percent or more of the aggregate volume of U.S. sales), we compared the volume of SeAH’s home market sales of the foreign like product to the volume of U.S. sales of subject merchandise, in accordance with section 773(a)(1)(B) of the Act. Based on this comparison, we determined that SeAH had a viable home market during the POR. Consequently, we based NV on home market sales, pursuant to section 773(a)(1) of the Act and 19 CFR 351.404(b).

B. Affiliated-Party Transactions and Arm’s-Length Test

During the POR SeAH made sales of WSSP in the home market to an affiliated party, as defined in section 771(33) of the Act. Consequently, we tested these sales to ensure that they were made at arm’s-length prices, in accordance with 19 CFR 351.403(c). To test whether the sales to the affiliate were made at arm’s-length prices, we compared the unit prices of sales to affiliated and unaffiliated customers net of all movement charges, direct selling expenses, and packing expenses.
Pursuant to 19 CFR 351.403(c) and in accordance with the Department’s practice, where the price to that affiliated party was, on average, within a range of 98 to 102 percent of the price of the same or comparable merchandise sold to the unaffiliated parties at the same LOT, we determined that the sales made to the affiliated party were at arm’s length. See Antidumping Proceedings: Affiliated Party Sales in the Ordinary Course of Trade, 67 FR 69186 (Nov. 15, 2002) (establishing that the overall ratio calculated for an affiliate must be between 98 and 102 percent, inclusive, of prices to unaffiliated customers in order for sales to that affiliate to be considered in the ordinary course of trade and used in the NV calculation). Sales to affiliated customers in the home market that were not made at arm’s-length prices were excluded from our analysis because we considered these sales to be outside the ordinary course of trade. See section 771(15) of the Act and 19 CFR 351.102(b).

C. Level of Trade

In accordance with section 773(a)(1)(B)(i) of the Act, to the extent practicable, we determine NV based on sales in the home market at the same LOT as CEP. Sales are made at different LOTs if they are made at different marketing stages (or their equivalent). See 19 CFR 351.412(c)(2). Substantial differences in selling activities are a necessary, but not sufficient, condition for determining that there is a difference in the stages of marketing. Id; see also Notice of Final Determination of Sales at Less than Fair Value: Certain Cut-to-Length Carbon Steel Plate from South Africa, 62 FR 61731, 61732 (Nov. 19, 1997) (Plate from South Africa). In order to determine whether the home market sales were at different stages in the marketing process than the U.S. sales, we reviewed the distribution system in each market (i.e., the chain of distribution), including selling functions, class of customer (customer category), and the level of selling expenses for each type of sale.

Pursuant to section 773(a)(1)(B)(i) of the Act, in identifying LOTs for export price (EP) and comparison market sales (i.e., NV based on either home market or third country prices), we consider the starting prices before any adjustments. For CEP sales, we consider only the selling activities reflected in the price after the deduction of expenses and

profit under section 772(d) of the Act. See Micron Tech., Inc. v. United States, 243 F.3d 1301, 1314–16 (Fed. Cir. 2001). When the Department is unable to match U.S. sales of the foreign like product in the comparison market at the same LOT as the EP or CEP, the Department may compare the U.S. sale to sales at a different LOT in the comparison market. In comparing EP or CEP sales at a different LOT in the comparison market, where available data make it possible, we make an LOT adjustment under section 773(a)(7)(A) of the Act. Finally, for CEP sales only, if the NV LOT is at a more advanced stage of distribution than the LOT of the CEP and there is no basis for determining whether the difference in LOTs between NV and CEP affects price comparability (i.e., no LOT adjustment was possible), the Department shall grant a CEP offset, as provided in section 773(a)(7)(B) of the Act. See, e.g., Plate from South Africa, 62 FR at 61732–33.

In determining whether separate LOTs exist, we examined information from SeAH regarding the marketing stages for the reported U.S. and home market sales, including a description of the selling activities performed for each channel of distribution. Generally, if the reported LOTs are the same, the functions and activities of the seller at each level should be similar. Conversely, if a party reports that LOTs are different for different groups of sales, the selling functions and activities of the seller for each group should be dissimilar.

In the current review, SeAH reported that it made sales through a single channel of distribution in the home market (i.e., direct sales to affiliated and unaffiliated customers). SeAH reported performing the following selling functions for its home market sales: Sales negotiation, sales personnel training, sales promotion, order input/processing, invoicing, collection of payment, sales forecasting, sales marketing support, market research, freight/delivery, warehouse operations, and inventory maintenance. These selling activities can be generally grouped into three selling function categories for analysis: (1) Sales and marketing; (2) freight and delivery; and (3) inventory management.

Accordingly, based on the selling functions, we find that SeAH performed sales and marketing, freight and delivery services, warranty and technical services, and inventory management for all U.S. sales. Because all U.S. sales are made through a single distribution channel and the selling activities to SeAH’s affiliated reseller do not vary within the channel, we preliminarily determine that there is one LOT to the U.S. market for SeAH.

SeAH stated that its U.S. sales were made at a different, less advanced LOT than its home market sales. SeAH is not seeking a LOT adjustment, however, because it had only one LOT in the home market. Instead, it claims that a CEP offset is warranted. As a result, we compared the U.S. LOT to the home market LOT and found that the selling functions performed for U.S. and home market customers differ, as SeAH did not perform identical selling functions in both markets, and the selling functions for sales in the home market are at a greater intensity than for sales to the United States. Specifically, we determine that differences in sales negotiation, sales personnel training, warehousing, and advertising exist between sales to home market and U.S. customers. See SeAH’s September 10, 2009, section A supplemental response at page 5 and Exhibit A–37. In this case, because SeAH sold at one LOT in the home market, there is no basis upon which to determine whether there is a pattern of consistent price differences between LOTs. Therefore, we have not made a LOT adjustment.

Instead, in accordance with section 773(a)(7)(B) of the Act, we preliminarily determine that a CEP offset is appropriate to reflect that SeAH’s home market sales are at a more advanced stage than the LOT of SeAH’s CEP sales. We based the amount of the CEP offset on home market indirect selling
expenses and limited the deduction to the amount of the indirect selling expenses deducted from CEP under section 772(d)(1)(D) of the Act. We applied the CEP offset to the NV–CEP comparisons.

D. Cost of Production Analysis

Pursuant to section 773(b)(2)(A)(ii) of the Act, for SeAH there were reasonable grounds to believe or suspect that SeAH made home market sales at prices below its cost of production (COP) in this review because the Department had disregarded sales that failed the cost test for SeAH in the most recently completed segment of this proceeding in which SeAH participated (i.e., the 1997–1998 administrative review) at the time of the initiation of this administrative review. See Certain Welded ASTM A–312 Stainless Steel Pipe from Korea: Preliminary Results of Antidumping Duty Administrative Review, 64 FR 72645, 72647 (Dec. 28, 1999), unchanged in Certain Welded ASTM A–312 Stainless Steel Pipe from the Republic of Korea: Final Results of Antidumping Duty Administrative Review, 65 FR 30071 (May 10, 2000). As a result, the Department initiated an investigation to determine whether SeAH made home market sales during the POR at prices below their COPs.

1. Calculation of COP

In accordance with section 773(b)(3) of the Act, we calculated COP based on the sum of SeAH’s cost of materials and fabrication for the foreign like product, plus amounts for G&A expenses and interest expenses. See the “Test of Home Market Sales Prices” section below for treatment of home market selling expenses.

We relied on the COP information provided by SeAH in its questionnaire response, except for the following instances where the information was not appropriately quantified or valued:

i. During the POR, SeAH purchased hot-rolled stainless steel coil from a Korean affiliate, Pohang Iron and Steel Company (POSCO). Stainless steel coil is a major input in the production of stainless steel pipe. In accordance with section 773(f)(3) of the Act, we evaluated transactions between SeAH and its affiliate using the transfer price, COP, and market price of stainless steel coils. We adjusted SeAH’s reported costs to reflect the highest of these three values for SeAH’s purchases of stainless steel coil from POSCO.

ii. We adjusted the numerator of SeAH’s G&A expense ratio to include raw material and work-in-process inventory (WIP) valuation losses. We also adjusted the denominator of the G&A expense ratio to exclude these inventory valuation losses.

iii. We excluded the long-term interest income generated from retirement and severance deposits from the calculation of the interest expense ratio. We also adjusted the denominator of the financial expense ratio to exclude raw material and WIP inventory valuation losses.

iv. We replaced the negative labor cost reported for one product (or “control number”) with the labor cost of the most similar control number.

For further discussion of these adjustments, see the memorandum from Laurens van Houten, Accountant, to Neal M. Halper, Director, Office of Accounting, entitled, “Cost of Production and Constructed Value Calculation Adjustments for the Preliminary Results—SeAH Steel Corporation,” dated December 31, 2009.

2. Test of Home Market Sales Prices

To determine whether SeAH’s home market sales had been made at prices below the COP, we computed weighted-average COPs during the POR, and compared the weighted-average COP figures to home market sales prices of the foreign like product as required under section 773(b) of the Act. On a product-specific basis, we compared the COP to the home market prices, net of billing adjustments, any applicable movement charges, selling expenses, and packing expenses.

3. Results of the COP Test

Pursuant to sections 773(b)(1)(A) and (b)(2)(C)(i) of the Act, where less than 20 percent of SeAH’s sales of a given product were at prices less than the COP, we did not disregard any below-cost sales of that product because we determined that the below-cost sales were not made in “substantial quantities.” Where 20 percent or more of SeAH’s sales of a given product were at prices below the COP, we determined that sales of that model were made in “substantial quantities” within an extended period of time (as defined in section 773(b)(2)(B) of the Act), in accordance with section 773(b)(2)(C)(i) of the Act. In such cases, we also determined that such sales were not made at prices which would permit recovery of all costs within a reasonable period of time, in accordance with section 773(b)(1)(B) and (b)(2)(D) of the Act. Therefore, for purposes of this administrative review, we disregarded these below-cost sales for SeAH and used the remaining sales as the basis for determining NV, in accordance with section 773(a)(1) of the Act.

E. Calculation of Normal Value

We calculated NV based on the starting prices to home market customers. We made adjustments, where appropriate, to the starting price for billing adjustments in accordance with 19 CFR 351.401(c). In addition, where appropriate, we made deductions for inland freight expenses, in accordance with section 773(a)(6)(B)(ii) of the Act.

Pursuant to section 773(a)(6)(C) of the Act, we made adjustments for credit expenses. We made a CEP offset pursuant to section 773(a)(7)(B) of the Act and 19 CFR 351.412(f). We calculated the CEP offset as the lesser of the indirect selling expenses on the home-market sales or the indirect selling expenses deducted from the starting price in calculating CEP. We deducted home market packing costs and added U.S. packing costs, in accordance with sections 773(a)(6)(A) and (B) of the Act.

Finally, we made an adjustment to NV to account for differences in physical characteristics of the merchandise, in accordance with section 773(a)(6)(C)(ii) of the Act and 19 CFR 351.411(a).

Currency Conversion

In accordance with section 773A of the Act, we made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank. See http://www.ia.ita.doc.gov/exchange/index.html. See also 19 CFR 351.415.

Preliminary Results of the Review

We preliminarily determine that the following margin exists for SeAH during the period December 1, 2007, through November 30, 2008:

<table>
<thead>
<tr>
<th>Manufacturer/producer/exporter</th>
<th>Percent margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>SeAH Steel Corporation</td>
<td>5.15</td>
</tr>
</tbody>
</table>

Assessment Rates

Upon completion of the administrative review, the Department shall determine, and CBP shall assess, antidumping duties on all appropriate entries. Pursuant to 19 CFR 351.212(b)(1), the Department calculates an assessment rate for each importer of the subject merchandise for each respondent. In accordance with 19 CFR 351.212(b)(1), we will calculate importer-specific assessment rates on the basis of the ratio of the total amount of antidumping duties calculated for the examined sales and the total entered value of the examined sales. These rates
will be assessed uniformly on all entries of the respective importers made during the POR if these preliminary results are adopted in the final results of review. The Department intends to issue appropriate assessment instructions directly to CBP 15 days after the date of publication of the final results of this review.

The Department clarified its “automatic assessment” regulation on May 6, 2003. See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003) (Assessment Policy Notice). This clarification will apply to entries of subject merchandise during the POR produced by SeAH for which SeAH did not know that the merchandise sold to the intermediary (e.g., a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the specific importer involved in the transaction. See Assessment Policy Notice for a full discussion of this clarification.

Disclosure and Public Hearing

The Department will disclose to the parties the calculations performed in connection with these preliminary results within five days of the date of publication of this notice. See 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs not later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs. See 19 CFR 351.309(d). Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) A statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. See 19 CFR 351.309(c)(2) and (d)(2).

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Import Administration, Room 1870, within 30 days of the date of publication of this notice. Requests should contain: (1) The party’s name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. The Department will issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary’s presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are published in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(4).


Susan Kuhbach,
Senior Director, Office 1, Antidumping and Countervailing Duty Operations.

[FR Doc. 2010–29 Filed 1–6–10; 8:45 am]

BILLING CODE 3510–05–P

DEPARTMENT OF COMMERCE

International Trade Administration

[Cl–533–839]

Carbazole Violet Pigment 23 From India: Preliminary Results of Countervailing Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of Alpanil Industries, Ltd. (Alpanil) under the countervailing duty order on carbazole violet pigment 23 (CVP–23) from India for the period January 1, 2007, through December 31, 2007. We preliminarily determine that subsidies are being provided to Alpanil on the production and export of CVP–23 from India. See “Preliminary Results of Administrative Review” section, below. If the final results remain the same as the preliminary results of this review, we will instruct U.S. Customs and Border Protection (CBP) to assess countervailing duties. Interested parties are invited to comment on the preliminary results of this administrative review. See the “Public Comment” section below.

DATES: Effective Date: January 7, 2010.

FOR FURTHER INFORMATION CONTACT: Elfi Blum or Myrna Lobo, AD/CVD Operations, Office 6, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0197 or (202) 482–2371, respectively.

SUPPLEMENTARY INFORMATION:

Background

On December 29, 2004, the Department published in the Federal Register the countervailing duty (CVD) order on CVP–23 from India. See Notice of Countervailing Duty Order: Carbazole Violet Pigment 23 from India, 69 FR 77995 (December 29, 2004) (CVP–23 Order). On December 1, 2008, the Department published in the Federal Register a notice of opportunity to request an administrative review of this order. See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review, 73 FR 72764 (December 1, 2008).

On December 30, 2008, the Department received a timely request to conduct an administrative review from Alpanil, an Indian producer and